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RUEHFR/AMEMBASSY PARIS 1019
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RUEKJCS/SECDEF WASHINGTON DC
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C O N F I D E N T I A L SECTION 01 OF 02 ABU DHABI 000065

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TAGS: PREL MOPS MASS ENRG KNNP FR IR AE

SUBJECT: FRENCH SIGN MULTIPLE AGREEMENTS WITH ABU DHABI --
TWO INVOLVING A MILITARY PRESENCE AND NUCLEAR COOPERATION

REF: A) ABU DHABI 45, B) 06 ABU DHABI 3851

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Classified by DCM Martin Quinn, reasons 1.4 (b) and (d).

¶1. (C) Summary: During a brief visit to Abu Dhabi January 15, French President Sarkozy concluded a number of agreements on security, nuclear, and cultural cooperation. Chief among them was an anticipated agreement to assist Abu Dhabi's plans for a civilian nuclear program (ref A), and an unexpected announcement of a proposed French Naval presence in Abu Dhabi. These agreements focus on Abu Dhabi in the first instance, not necessarily the UAE as a whole. End summary.

¶2. (C) In preparation for President Sarkozy's five-hour stop in Abu Dhabi on January 15, the French Ambassador told us previously that his Embassy was busy preparing to sign a number of agreements, particularly one on nuclear cooperation which had also been much touted in the press. The French Ambassador confirmed to PolChief January 16 that indeed five government-to-government agreements had been signed during the visit, and two in advance of the visit. Agreements include those in the following fields:

-- Nuclear cooperation, signed between UAE Foreign Minister Sheikh Abdullah bin Zayed and French Foreign and European Affairs Minister Bernard Kouchner (presumably signed with the two presidents looking on at the Mushref Palace);

-- Military cooperation agreement, signed between UAE Foreign Minister Sheikh Abdullah bin Zayed and French Defense Minister Herve Morin;

-- Intellectual property cooperation, signed between UAE Minister of Economy Sheikha Lubna al-Qasimi and French Economy Minister Christine Lagarde;

-- MOU on transport (highway, railroad, and marine transport), signed between UAE Minister of Government Sector Development Sultan Saeed al-Mansoori and French Defense Minister Herve Morin;

-- MOU on Educational Cooperation signed between Director General of the Abu Dhabi Education Council and French Minister of Education Xavier Darcos;

-- Two technical agreements, one on museum issues (Abu Dhabi plans to open a branch of the Louvre by 2012) and the other apparently commercial in nature, were signed in advance of the visit;

-- also, a commercial agreement dealing with launching a communications satellite was reportedly signed by private sector representatives during the visit as well.

¶3. (C) Military and nuclear cooperation are the more strategic elements of these agreements, and appear to indicate Sarkozy's desire to show French support for Gulf defense, aligning France more closely with Gulf Arab states, as well as with the U.S., in countering Iran. The French are also no doubt enamored with the lucrative potential of the large commercial component of nuclear cooperation. The French are long-standing suppliers of defense equipment (ref B), with sales of Mirage jet fighters, LeClerc tanks, and the Baynunah corvette program among their more prominent engagements with the UAE. A defense agreement signed in 1995 helped facilitate arms deals and related support.

¶4. (C) The new military "presence" (the French Ambassador said he prefers not to use the word "base"), which press reports suggest could involve as many as 500 personnel, is indeed a new level of engagement -- the U.S. is the only foreign nation that has had a significant military footprint in the UAE in recent years. Press reports indicate a potentially significant surveillance and intelligence capability for the French presence, although French Embassy contacts caution that planning is still in the conceptual stage and one should not draw conclusions about the profile of that presence just yet. The French Ambassador did tell us that it would likely involve naval, land, and air force components. Sarkozy reportedly called the military agreement "a sign to all that France is participating in the stability of this region of the world." The nearest French military post has been Djibouti.

¶5. (SBU) Sheikh Abdullah referred publicly to the UAE's

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desire to cooperate with eight countries in the nuclear arena (the nuclear suppliers group named ref A) to develop a peaceful nuclear program through wide consultations, "ensuring compliance with the highest standards of non-proliferation, safety and security." Press reports indicate that technical engagement with the French on the nuclear front is imminent, an indication of UAE urgency about moving ahead with the examination of a nuclear power option and presumably the building of two reactors in the Emirate of Abu Dhabi (at a cost estimated in the press at \$6 billion).

¶6. (C) The French nuclear agreement establishes a structure for government-to-government and commercial cooperation. According to the Abu Dhabi Executive Affairs Authority's Economic Affairs Director, the French commitment has given French companies a significant advantage in development of a civilian nuclear power program. He also reiterated the UAE's interest in reaching out to the U.S. and other suppliers, in spite of the French seeming to have one foot in the door.

¶7. (C) Comment: The agreements signed during the Sarkozy visit appear distinctly Abu Dhabi-centric. The military "presence" discussed is apparently Abu Dhabi based. The nuclear reactors discussed will likely be built first in Abu Dhabi (the Emirate appears to be funding the project and the Abu Dhabi Executive Affairs office is playing a key coordinating role in the nuclear power issue), although later reactors would likely be located in other parts of the country as well. The Louvre is planned for Saadiyat Island in Abu Dhabi. Educational reform has a strong al-Nahyan component (the al-Nahyan being Abu Dhabi's ruling family). These agreements highlight yet again where the federal weight lies in the UAE, with Abu Dhabi as the primary funding source for the federal government and with the Abu Dhabi leadership taking much of the initiative on security. End comment.

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